



NEWS RELEASE

CALIFORNIA STATE TREASURER PHIL ANGELIDES

FOR IMMEDIATE RELEASE
September 17, 2003

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TREASURER ANGELIDES CELEBRATES EXTRA CREDIT TEACHER HOME PURCHASE PROGRAM, CONGRATULATES LOCAL TEACHER BENEFITING FROM THE PROGRAM

*ANGELIDES JOINED BY SUPERINTENDENT JACK O'CONNELL
TO PROMOTE THE PROGRAM*

HAWTHORNE, CA — California State Treasurer Phil Angelides today joined teacher and new homeowner Greg Calvert at his house to help celebrate the success of the innovative Extra Credit Teacher Home Purchase Program.

Calvert, a special education teacher at Prairie Vista Middle School, was able to buy the home thanks to the three-year-old state mortgage-loan program. Treasurer Angelides, seeking a way to recruit and retain credentialed teachers for low-performing schools, first proposed the Extra Credit Teacher Home Purchase Program in December 1999. The California Debt Limit Allocation Committee (CDLAC), whose board Angelides chairs, approved the proposal in January 2000, and the Program was launched in September of that year.

“The Extra Credit program helps draw a scarce public resource – experienced teachers and administrators – to those schools that struggle the most,” Angelides said, “attracting the sort of educators who are most qualified and willing to help those schools achieve success.”

Under the Extra Credit program, eligible teachers and administrators who commit to serve in designated low-performing schools for three years qualify for below-market interest rate first-home loans. Those educators also qualify for a deferred, second below-market interest rate home loan to cover down payment costs of \$7,500 or 3 percent of the first loan, whichever is greater.

Teachers who continue working at a low-performing school for three years will have the interest on their second loan forgiven. If the school improves and advances beyond its low-performance status during the teacher's three-year commitment, the interest rate will still be forgiven. To be eligible for the Extra Credit program, educators must be first-time homebuyers who intend to occupy the home and who meet certain income and home purchase-price limits.

Since CDLAC launched the program in September 2000, it has awarded more than \$262 million in tax-exempt bond authority to the Extra Credit program through CalHFA and programs from nine local jurisdictions. Together they have helped 556 educators with low-interest home loans.

“I have long said, and Californians agree with me, that our top investment priority should be in educating the children of today to be the workforce of the 21st century,” Angelides added.

Calvert’s Prairie Vista Middle School is in the Hawthorne School District. “I’m proud to be a part of the Prairie Vista team,” he said. “And I want to say thank you for recognizing my hard work and providing me the tools to own my own home. No one should have to choose between a teaching career and the dream of home ownership.”

California faces a teacher shortage due to a growing population and the implementation of class-size reduction. The teacher shortage has contributed to the already acute problem of attracting qualified teachers to low-performing schools that are often located in poor, rural and urban school districts.

For more information about the Extra Credit Teacher Program, see www.calhfa.ca.gov.

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